

**Camden Select Board
Minutes of Meeting
February 2, 2010**

PRESENT: Chairperson Karen Grove, John French, Anita Brosius-Scott, Morgan Laidlaw, and Town Manager Roberta Smith. Also present were members of the press and public.

ABSENT: Town Attorney William Kelly and Vice Chairperson Deborah Dodge

Contents

1. Public input on non-agenda items.
2. Presentation on Tax Increment Financing proposals for a Downtown District and a Business Highway District; set date for public hearings and approve special town meeting warrant.
3. Approval of Appendix C to the existing Windjammer License Agreements for signage attached to the Town docks and ramp system as follows:
 - a. Existing signage for the Angelique, the Mary Day, and the Lewis R. French.
 - b. Request of Maine Windjammer Cruises for their National Landmark signage.
4. Approval of a Letter of Intent to apply for the State of Maine Community Development Block Grant for a 2010 Housing Assistance Grant.
5. Consideration of appointments to the Parking, Traffic & Transportation Committee.
6. Committee Reports
7. Manager's Report

WASTEWATER COMMISSIONERS:

8. Approval of the Certificate of Commitment for wastewater charges for the period of September 12, 2009 to January 12, 2010.
9. Approval of renewal applications for Master Drainlayers for 2010.

Minutes of Meeting

1. There was no public input on non-agenda items.
 - a. Board member Brosius-Scott reported they had a very successful Winterfest last Saturday. The event really did fulfill the Winterfest's committee's desire to use the town's public space in a way that really included community and gets everybody of all ages involved in community activities.
 - b. Board member Brosius-Scott reminded everyone about the National Toboggan Championships happening this weekend. There are lots of events scheduled for the weekend. There will be free shuttle bus service running both days all day that will pick people up at the Public Safety Building and the Village Green.

2. Peter Gross, member of CEDAC, began the presentation on Tax Increment Financing proposals for a Downtown District and a Business Highway District. Mr. Gross explained that the TIF workgroup have been working on analyzing the different options for a TIF district with the assistance of Matthew Eddy, consultant from Eaton Peabody Consulting Group of Augusta, Maine. Mr. Eddy has also led a couple informational meetings with stakeholder groups and committee groups in the community that might be interested in what a TIF does. The reasons for creating a TIF district is the need to develop jobs and support our businesses in Camden to maintain the community. Camden's harbor and downtown are the focus of our community. Improvements are needed to proactively prepare for direct development in our downtown to support and increase the health and liability of our downtown. We need to carry out some improvements in terms of some of the infrastructure as well as other improvements to town owned buildings that could help to support and encourage development and economic activity in the town

The money that we can develop or protect in a tax increment financing district can help to provide some of the money that we need for these various projects without really significantly impacting the general fund if done properly. We can keep more of our tax dollars in terms of increased property taxes dues to increases in property values; keep more of those values here in the town for our purposes rather than going to the state, county and schools. This is a very powerful economic develop tool that the state created some time ago and actually encourages communities to take advantage of. It is an important development tool that will help us to plan and fund efforts to support our downtown and therefore a community as a whole. Now is the time to put this into place so we have some funds to help make sure Camdne continues to be one of the best places to live and work.

Matthew Eddy of Eaton and Peabody explained how TIF districts work and the specifics of the town TIF districts being suggested. The supporting documents being presented tonight are about what funds might be generated by the TIFs and some of the budget numbers have been put in there for possible projects the TIF money could go towards and they are only projections. They are not hard and fast numbers. They are projections based on best guesses, based on experience and information that is available to us today. What happens in the next couple years, the next five years, next ten years, or over the 20 year life span of the TIFs is anybody guess. Those numbers are in there for illustrative purposes only. What we really like to focus on is what is a TIF, how does it work, and why we are proposing the TIF districts for Camden and how they work together and work for Camden and then how that creation can help Camden.

The basic concept of a TIF is that it is a stimulus for an investment in either targeted industries or targeted locations. Camden's particular TIF is about a targeted location the downtown and the downtown projects that have been identified. The beauty of tax increment financing is that it is probably the most powerful economic development tool we have in the state. It is focused on economic and community development. Its key ingredient is it shelters the town's new value what we call original assessed value. It shelters that impact from school aid formula which means while your values go up your school aid formula will go down and it will go down for your entire school district. It shelters the town from county taxes and the same impact related to revenue sharing. The originally discussed downtown District has been divided into two separate districts as a result of input from the

State Department of Economic and Community Development, who ultimately reviews and approves TIF Districts. Note that the percentage of new value that is captured for TIF revenues differs in the two districts.

In the Downtown TIF for it to receive money from other TIFs you need to capture 100% of that value by rule to be able to do that. In other words 100% of any new value downtown is going to go into the TIF fund for TIF related projects. They have identified potential projects over the next five years for about 7 million dollars worth of investments and various projects as well as looked at the growth rate of value in the community and felt that 5% annually was reasonable to expect to see over time and that has been built into the 20 year program.

In the Business Highway District we only captured 50% of the new value so that revenue would go into the general fund. They estimated the potential for about 1.2 million investments primarily in the area around Hannaford Brothers and some of the vacant properties in that area. With those two they have projected roughly \$9, 0000 +/- in new taxes that would occur in the business highway district and with 100% capture with the Downtown TIF they projected a total of \$98,537 in new tax revenue. It's important to focus on the fact that these are best guess estimates. If you don't do a TIF on the business highway side you would lose roughly 80 cents on the dollar for any new value you create which is really large number. What we are trying to do this year is capture some known investments that we know are coming forward and will be assessed in this coming year. We want to capture it, protect it and then funnel TIF funds into the program. There are some really important advantages to the downtown TIF program and rules. You are not able to go over 2% for acreage in any TIF district of the community and 5% for TIF districts together. However, downtown TIFs are exempt from those rules so it is important to maximize the size of that downtown TIF. Also you are not supposed to go over 5% of the value but the value for the downtown TIF is exempt. It allows us to go about protecting a really interesting TIF district with a lot of projects that are needed while the state is trying to provide you sheltering in not having to live the restrictions of a TIF district.

He further described the list of proposed projects that are listed in the development program which is part of the application for creating a TIF district. The development program is intended as a guideline for the Board's purposes to help you guide you through and assess how you are doing. We have identified a whole series of projects, identified some general planning programs, a parking study, potential marketing and impact analysis for Opera House. In the end this is the guideline that the Select Board will ultimately use to make budget allocations. They have recommended in this plan that the Select Board make those decisions with the guidance of CEDAC then through your normal budget committee process. There are lots of opportunities for people to impact the program.

The next step would be to set a date for public hearings and then have the TIF approved at a special town meeting. That approval needs to go to Maine Department of Economic and Community Development by the end of March.

Board member Brosius-Scott had many questions for Eddy regarding the project list and whether they could be amended. Eddy said the town could amend its project list, and the districts themselves could be redefined, at a future date, if the town held a vote to do so.

Board member Brosius-Scott stated she does not see how the economic impact of those improvements will be seen in Camden as a result of those improvements. The list of proposed projects do not appear to be related to job development and economic growth, or include things the town provides for as part of our regular annual budget process.

Matthew Eddy replied that they feel enhancements to the downtown area that make Camden more attractive to visitors, and entice residents to shop here and would ultimately make the downtown area more appealing to prospective employers.

Anita Brosius-Scott asked several more questions regarding amending the development program list. She wants to know whether the Board's vote tonight is going to endorsing the development program as laid out because she cannot support the way the development program is laid out but she can fully support a TIF.

Matthew Eddy replied that Ms. Brosius-Scott is zeroing in on being way too specific for a blue print or a guide. This is just a plan that you are suppose to follow its not etched in stone the way he thinks she is looking at it and that there is always an opportunity in amending this development plan or expanding the other kinds of activities that people do in the TIF and you as a Board always have the ability to make decisions on an annual basis on how you want to use your investment dollars because that is how this development plan has been developed.

Manager Smith stated there are a number of things in the development plan that create jobs. For example there is no question that improvements to the Opera House will make it more attractive for conferences which will create jobs throughout the community and region. If the Board decides to do a financial analysis of what is the economic impact of this facility and make some improvements to capture that it's just a multiple of Pop Tech. Regarding the upper floors and businesses downtown there is a real restriction on development or a perceived restriction on the development and desirability of some of these retail spaces or businesses coming here because of parking. The parking is the number one thing that restricts the development of downtown. Anything that improves the infrastructure so you can deal with parking is secondary and it is something that is making the downtown space for the community in general more desirable and functional for bring additional businesses. You can go through these projects and think on a narrow focus on what does a parking garage do for jobs if you want to but it's not the parking garage that's creating jobs it's the parking garage that is allowing your other spaces in town to attract a businesses.

Board member Grove stated we have been given a path to run on. Should we choose along the way to pick up certain projects on that path we can if we choose to. Tonight all we are really deciding on is the path to run which is do we choose the path or not. The details is something that we work out with the Select Board, Budget committee, and CEDAC as we go along this path we are getting too much into the details and we need to come back to the path.

John French made a motion to present both TIF proposals to the voters at public hearing on Tuesday February 23rd, beginning at 7 pm, immediately followed by a Special Town Meeting at 8 pm. Morgan Laidlaw seconded this motion. The motion passed on a 4-0-0 vote.

Board member Brosius-Scott added that she supports the TIFs in concept, but was not comfortable with the list of proposed uses for the funds they might generate.

3. Manager Smith reported that when the Windjammer License Agreements were last renewed, language was added to reference an Appendix C which would detail the approved, existing signage on the Town docks and ramp system for these Windjammers.

John French made a motion to approve the Appendix C to the existing Windjammer License Agreements for the Angelique, the Lewis R. French, and the Mary Day. Anita Brosius-Scott seconded this motion. The motion passed on a 4-0-0 vote.

Manager Smith reported that Maine Windjammer Cruises has submitted a request for approval of their National Landmark sign board. At the time of License renewal, the Board determined that this signage was not approved existing signage.

John French made a motion to approved the signage request of Maine Windjammer Cruises and the associated License Agreement Addendum with Appendix C. Anita Brosius-Scott seconded this motion. The motion passed on a 4-0-0 vote.

4. Joanne Campbell, President of Camden Affordable Housing Organization requested approval of a Letter of Intent to apply for the State of Maine Community Development Block Grant for a 2010 Housing Assistance Grant. She stated that this grant will help provide down-payment assistance to bridge the gap between the price of each home and the amount each first-time homebuyers can qualify for to pay for housing.

John French made a motion to support an application for a Community Development Block Grant for Lupine Terrace. Anita Brosius-Scott seconded this motion. The motion passed on a 4-0-0 vote.

5. Manager Smith reported there have been several vacancies on the town Parking Traffic and Transportation committee for some time now. As a result of a drive to recruit members, Committee Interest Forms have been submitted for the Board's consideration.

Anita Brosius-Scott made a motion to appoint Neil Williamson, Jan MacKinnon, and Joel Blemaster as regular members to the Parking, Traffic & Transportation Committee. John French seconded this motion. The motion passed on a 4-0-0 vote.

6. Committee Reports

- c. Opera House Committee: Karen Grove reported that they need a new Select Board liaison. She is unable to attend their meetings because their meeting times conflict with her work schedule.

10. Manager's Report

- a. Manager Smith reported that the budget process has started. The special town meeting for the TIF districts will happen before she finalizes the budget. When the Board approved the contract for Eaton Peabody for the TIF district you voted to take the money from the Development Reserve fund with the idea that

revenues from the TIF could repay that fund so that you would have that for other economic development needs. That reserve fund is not restricted to any particular area like a TIF revenue would be.

John French made a motion to adjourn as Select Board and reconvene as Wastewater Commissioners. Morgan Laidlaw seconded this motion. The motion passed on a 4-0-0 vote.

WASTEWATER COMMISSIONERS:

11. John French made a motion to approve the Certificate of Commitment for wastewater charges for the period of September 12, 2009 to January 12, 2010. Morgan Laidlaw seconded this motion. The motion passed on a 4-0-0 vote.

12. The Board considered renewal applications for Master Drainlayers for 2010. Manager Smith reported all applications have been reviewed and approved by the Wastewater Superintendent.

John French made a motion to approve the Master Drainlayers License renewals for Mike Eaton, Bruce Dawson, Warren Curtis, Timothy Hall, George Haselton, and Richard Nash Morgan Laidlaw seconded this motion. The motion passed on a 4-0-0 vote.

A motion was moved and seconded to adjourn at 8:22 pm

Janice L. Esancy
Recording Secretary